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ABSTRACT

This kit on the preparation and presentation of the library budget in Association of Research Libraries (ARL) institutions contains a concise summary of the results of a 1977 member survey on budget preparation and eight related primary source documents. The summary of the Systems and Procedures Exchange Center (SPEC) survey focuses on types of budgets and budget formats, staff involvement in budget preparation, budget planning, the budget process, the budget presentation, and trends and needs. The source documents include: (1) an outline of the budget process from Texas A&M University; (2) two examples of budget instructions from University of Wisconsin and Washington University; (3) a document on budget committees from Rutgers University; (4) examples of budget presentations from Emory University and University of Tennessee/Knoxville; (5) support data for budget preparation from Princeton University; and (6) a document on budget planning from Princeton University. (THC)

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Preparation and Presentation of the Library Budget

Kit 32

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April 1977 No. 32

Systems and Procedures Exchange Center

PREPARATION AND PRESENTATION OF THE LIBRARY BUDGET

In the current period of financial retrenchment, many libraries are expending a great deal of effort on budget preparation and presentation. A recent SPEC survey sought to determine how ARL libraries prepare and present their budgets, which staff members are involved in the process, and what kinds of data are developed to support budget requests. This Flyer deals with the survey results. In general, over half the respondents have not changed their budget format recently, but many are experimenting with new internal processes. Although some libraries have budget specialists on their staffs, over half rely primarily on the director for budget preparation and presentation duties. Over three-fourths of the libraries use budget committees for advice, but not for actual preparation. Most budgets are prepared for a one-year period, with some allowances for emergencies. And while the actual budget process is fairly traditional in most of the institutions surveyed, there are indications that new techniques are being tested at several libraries.

TYPES OF BUDGETS AND BUDGET FORMATS. Most libraries utilize simpler budget formats -- 40 of the 68 (58%) respondents have line-item budgets. However, most ARL libraries use more than one budget format. Frequently, a line-item budget is presented to the university administration, but a programmatic budget, e.g. program, modified PPBS, or zero base, is used internally. In three (4%) libraries, only a formula, performance, or zero base budget is presented to the parent institutions. Seventeen (25%) libraries indicated a change from a line-item budget to either a program or zero base budget. Two (2%) changed from a programmatic approach to a line-item budget.

STAFF INVOLVEMENT IN BUDGET PREPARATION. The budget process has become complex, and detailed support data must be prepared with accuracy. The required sophistication of budget presentations has led many member institutions to recruit staff members with budgeting expertise. Seventeen (25%) of the responding libraries have budget officers (titles vary) who have primary responsibility for budget preparation. In 34 (51%) institutions, the director maintains responsibility for budget preparation, but these tend to be cases where budgets are in line-item format. Associate or assistant directors, either solely or in conjunction with the director, account for 17 percent of the respondents with this responsibility. Only one library indicated it used a committee for budget preparation, but committees that contribute to the budget process are abundant. Fifty-one (75%) respondents utilize an administrative council, the department heads, or a representative committee in a consultative capacity. In 28 percent of the libraries, a combination of groups was mentioned.

BUDGET PLANNING. It is evident that traditional budget processes have some limitations. With increasing competition among departments in the university, the library is not in the relatively comfortable position it enjoyed in the last decade and budgets must support the difficult decisions. Budget planning has become a way of life, and while many libraries are required to submit budgets to the university for only a one-year period, budget forecasts for the next 4-5 years are frequently utilized for internal library planning. In addition, 20 (29%) libraries reported that budget forecasts for 2-5 years are requested by the parent institutions.

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The budget is an important planning tool in at least one institution. The budget preparation process has become the key element in the planning timetable. The budget needs are described by department heads in the broader context of goals and objectives, and the governing body of the library reviews and evaluates goals and objectives before budget considerations are undertaken.

THE BUDGET PROCESS. The steps followed in the budget process are relatively uniform in ARL libraries. Typically, budget guidelines come from either the state government or the university administration. The library administration sends budget requests from the various library units, based on the guidelines. After reviewing the departmental requests, the library administration confers with appropriate internal and external committees concerned with budgetary matters. Then, a formal budget is prepared. The university incorporates the budget, either as presented or as modified, into a broader document that is approved by a board or the state government. The approved budget is then communicated to the library administration.

One of the more interesting approaches to the budget process includes a Priorities Committee made up of faculty, administrators, librarians, and students which receives budget submissions from all units on the campus. The Priorities Committee has authority to recommend reductions as well as increases in programs and staff and it makes all budget recommendations to the university administration.

THE BUDGET PRESENTATION. The budget presentation is typically a performance review of the past year's goals with a request for the next year based on the achievement of those goals. In roughly half of the institutions, the director assumes total responsibility for the presentation. In other cases the director and the administrative staff, or some part of it, present budget data to the university administration.

As the budget process has become more complex, so has the budget presentation. It is typically multipartite, a combination of conferences and document submission. Sixteen (23%) of the responding libraries present a document to or have a conference with university administrators, but 54 (79%) indicate a combination of these activities, with varying formality. In nearly every case, fairly sophisticated supporting data are involved. All but nine respondents submit at least two kinds of supplementary documents. Most submit information such as publishing trends, inflationary data, user satisfaction data, and information about the internal operation of the library in order to substantiate the budget requests.

TRENDS AND NEEDS. Particularly in this period of economic decline when decisions become more difficult, libraries are finding advantages in using programmatic budgets, at least for internal purposes. With a new emphasis on accountability, some libraries are involving staffs more in the budget process, from the initial stages through completion. One state institution, for example, submits a standard line-item budget to the university, but the budget document developed internally is based on programmatic goals described by library unit heads.

Libraries are increasingly interested in determining costs and outputs, and new methods of obtaining costing information are being experimented with in many institutions. The decisions are not easier to make, but the documentation on which decisions can be made grows more abundant.

The SPEC Kit on Preparation and Presentation of the Library Budget includes 15 documents totaling 150 pages. It is available to ARL members and SPEC Subscribers at $7.50 and to others at $15.00. The Kit includes documents on the following topics. (Prepayment preferred.)

Outline of Budget Process	1 document
Budget Instructions	2 documents
Budget Committees	2 documents
Budget Presentations	2 documents
Support Data for Budget Presentation	1 documents
Budget Planning	5 documents

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KIT # 32 APRIL 1977
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This kit differs from the flyer somewhat due to updating.

OUTLINE OF BUDGET PROCESS

OUTLINE OF BUDGET PROCESS

1. The first step in the budget process is the preparation and development of the Biennial Budget Request. This was last done in the Spring of 1974 and will be done again in the Spring of 1976. Most items such as faculty salaries, departmental operating expenses, instructional administration, etc. are based on formulas developed by the Coordinating Board.
   The current system is called "ZERO BASE BUDGETING"

2. On the basis of the Biennial Budget Requests, the Legislature with the help of the Legislative Budget Board develops appropriations for two fiscal years. In this case 1975-1976 and 1976-1977.

3. Preliminary Budget Requests are prepared by Departments and Colleges and justify in great detail the needs and requirements for the academic activities. Normally preparation starts in September and covers the fiscal year starting the following September.

4. With the information contained in the Preliminary Budget Requests covering the academic areas, and combined with the needs for the non-academic areas, the President, after appropriate reviews and evaluations, approves guidelines to be used in the preparation of the regular annual budget requests. These guidelines are normally issued in the Spring, however in the second year of a biennium they may be issued earlier.

5. Following the guidelines and staying within the College allocations, the Departments and Colleges prepare all necessary documents and forms required for the annual budget.

6. Upon evaluation, analysis and subsequent approval by the President, the budgets are submitted to the Board of Regents for final approval.

C01

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TEXAS A&M UNIVERSITY

COLLEGE STATION, TEXAS

ZIP CODE 77843

UNIVERSITY LIBRARY

USER STUDY - TECHNICAL REPORTS

Your input is needed in order for the reports service to be evaluated. Please help by completing this form. The tabulated results will be given to the TEES Library Committee, which has funded the purchase of technical reports distributed by the National Technical Information Center.

1. Department_____

2. Check one: ____Undergraduate ____Graduate Student

____Faculty ____Researcher ____Other

(specify)_____

3. Brief description of material needed:_____

_____

4. What was the source of your referral to a technical report?

a. ____Abstract or index b. ____Cited in another publication (book, journal article, etc.) c. ____Other (specify)_____

_____

5. What information did you already have about the material?

a. ____Report or contract number b. ____Contractor or author

c. ____Title d. ____None of the above

6. Was the material available from the Technical Report Center?

a. ____Yes b. ____No

7. Suggestions for improvement in this or other service, or other comments_____*

8. If you need further assistance, please give your name and telephone number, and we will contact you: Name:_____

_____ Phone number_____

9. Date_____ 10. Time of day _____Morning

_____Afternoon _____Evening

Note: Please return to Government Documents Desk on the 2nd floor. Thank you.

*Use other side of page if additional space is needed

C02

TEXAS A&M UNIVERSITY
COLLEGE STATION, TEXAS
ZIP CODE 77843

UNIVERSITY LIBRARY

USER STUDY - VSMF MICROFILM

Your input is needed in order for the usefulness of this service to be evaluated. Please help by completing this form. The tabulated results will be given to the TEES Library Committee which has helped fund the leasing of the VSMF files.

1. Department_____

2. Check one: ____Undergraduate ____Graduate Student
____Faculty ____Researcher ____Other
(specify)_____

3. Brief description of information needed:_____
_____

4. Categorize information needed:
____Standard a. ____by number b. ____by subject
____Design information a. ____by vendor b. ____ by subject
____Vendor (or manufacturer) data a. ____by vendor (or manufacturer) b. ____by subject
____Other (specify)_____

5. Was information found? a. ____No b. ____Yes c. If yes, was what you found relevant?_____

6. If no, would VSMF files not owned by Library have contained this data? a. ____Yes b. ____No c. ____Don't know

7. Suggestions for improvement in this or other service, or other comments_____*

8. If you need further assistance, please give your name and telephone number, and we will contact you. Name:_____
_____ Phone number:_____

9. Date_____ 10. Time of Day ____Morning
____Afternoon ____Evening

Note: Please return to Science and Technology Reference Desk.
*Use reverse side of page if additional space is necessary.

C03

BUDGET INSTRUCTIONS

INTRODUCTION

I. Organization of the Annual Budget Instructions

The nature of the budget process makes it impossible to issue a complete volume of instructions at the start of the budget building period. There are far too many uncertainties at the outset to make this possible so chapters are issued as information becomes available. However, there is much about the budget process that does not change from year to year and these instructions have been designed to be updated rather than totally replaced.

1. Save These Instructions. Each year at the start of the budget preparation cycle the Budget Office will issue updated pages and, when necessary, totally revised chapters. Each replacement page will be numbered and dated so that it can be inserted in proper sequence. If there is already a page with the same number, the page with the oldest date should be discarded.

   When pages are reissued, a ✪ symbol will be used to help you locate the new or changed material. In this way you can quickly determine what has been changed. It is hoped that this system will allow you to reduce your annual instruction reading time by permitting you to concentrate on the changes from the previous year.

2. The Index is the Key. The Index contains a listing of all valid pages and their date of issue. The Index will tell you if you have the most current information, and a single telephone call to the Budget Office (263-4570) can tell you if you have the most current Index.

II. Where to Get Help

These instructions have been prepared to answer as many questions as possible, but the budget process is exceedingly complex and invariably there will be situations that are not covered or not clear.

A. Departments Should Contact the Dean's Office. Individual schools and colleges frequently have their own policies and procedures covering many budgetary subjects. The staff members in the dean's office are familiar with these situations and with the individual departments. Therefore, it is recommended that departments call their dean's office when questions arise.

B. The UW-Madison Budget Office. The goal of the Budget Office is to help you prepare an accurate financial plan that will make the best use of our limited resources. We want to help you comply with the many State, Regent and Campus policies which govern our financial and

personnel decisions, and we want to help you do this with as few complications as possible. If you are having problems, call us.

Glenn Watts, Director	263-4707
Carolyn Studier, Secretary	263-4570
Larry Wold, Senior Accountant	263-4544
Helen Schouten, Accountant	263-4708
David Horvath, Accountant	263-4569
Jenny Stark, Accountant	263-4709

III. 1976-77 Budget Timetable

A.	Complete Summer Budget. Submit the updated Form 2A for classified and unclassified employes and revise supply and expense and capital entries.	April 2
B.	Complete Annual Budget. Submit the updated Form 2A for classified and unclassified employes. Include the 6% pay plan recommendations for faculty, limited appointees, academic staff, and employes-in-training. Instructions for classified merit increases will be issued later. Revise supply and expense, non-state fringe benefit and capital cost figures.	April 2
C.	Estimate Fund 132 Revenues. Budget units which have received Form 21 should supply the required estimates and verify that the budget levels which were submitted were adjusted for any projected revenue change.	April 7
D.	New Appointment, Changed Status and Emeritus Recommendations. Completed Forms 5, 6, and 7 should be submitted, plus ADC forms for all new appointments being made through the budget process.	April 12
E.	Special Approval for Equity and Other Adjustments. If written approval for special adjustments (p. 6.10) is not on file in the Budget Office, the adjustments cannot be submitted for Regent consideration.	April 13
F.	IBAC Reconciliation Report. All IBAC transfers must be entered on Form 20 and submitted. Be sure that sufficient information is supplied to make clear the reason for each transfer.	April 23
G.	Last Minute Promotion Changes. If a promotion included in the 1976-77 budget and listed on the Form 5 is not approved by the Divisional Committee, you must notify David Horvath (263-4569) by telephone so that the records may be corrected before they are mailed to the Regents.	April 23
H.	Merit Recommendations in Excess of 10%. A Form 22 must be prepared and submitted for every individual whose 1976-77 pay plan increase is greater than 10%, regardless of funding source.	April 26

I. Tenure Roster Update. Any changes affecting tenure that were accomplished through the budget process and not already included on the Tenure Roster must be submitted to the Academic Personnel Office, 175 Bascom Hall. May 3

IV. Post-Lock Changes

All changes to the budget after the "lock" date must be requested in writing. Changes which affect rates or funding (terminations, leaves, funding changes, new appointments, etc.) will be accepted until April 9, 1976. Changes which do not affect rates (titles, status modifiers, name, etc.) will be accepted until April 23, 1976.

Chapter 3

BUDGET AND POSITION ALLOCATIONS

I. Overview

The initial "1976-77 Planning Allocations" (issued March 3, 1976) are primarily from amounts approved in the 1975-77 legislative budget. Modifications proposed by the Governor and Legislature in the pending Annual Review Bill have also been reflected where known, but additional revisions and modifications may be necessary due to amended and vetoed portions of the Review Bill. All spending authority is conditional pending final approval by the Legislature and Governor. However, since most items have already received approval in the biennial legislative budget, there are not likely to be major changes.

Allocations are made by IBAC (activity) category whenever possible, but occassionally an item will appear as undistributed. It will be necessary to report all IBAC "shifts" made during the budget building process. A reconciliation by IBAC of your completed budget submission and the final planning allocation for your unit is required by Chapter 8 of these instructions. Central Administration and the Department of Administration monitor budget allocations and expenditures during the year by IBAC and consequently the IBAC assignment portion of the budget planning process must be carefully considered. Any major IBAC "shift" must first be cleared through discussion with the Vice Chancellor's Office or the UW-Madison Budget Office.

II. Budget Allocation Entries, Funds 101-119

A. 1975-76 Printed Base Budget. The 1976-77 planning allocation is built on the 1975-76 printed base budget for each of the UW-Madison budget units. Each adjustment to the 1975-76 printed base budget is shown either as a pre-printed entry on the allocation schedule or as a special hand-entered item.

B. Productivity Improvement Reduction. All of the Fund 101 productivity reduction mandated for the 1975-77 biennium was absorbed in the 1975-76 budget. Although no specific productivity reductions are required for 1976-77, the effects of inflation on supplies and capital budgets and the failure of the Governor and the Legislature to provide sufficient enrollment funding for the additional undergraduate and graduate students who have enrolled during the past two years means that a very real "productivity cut" is being imposed on the University.

C. Supplies & Expense Price Increase Adjustment. The legislative budget provided no relief to offset the effects of inflation on supplies and capital budgets in either 1975-76 or 1976-77. Consequently, careful review of these areas is necessary to assure that shortages in critical areas are avoided. Particular attention should be paid to the following:

1. Elimination of Special Course Fees. Regent-approved 1976-77 Annual Budget Policy Paper #AB 3.0 (see UW-Madison interpretation of policy dated February 2, 1976) may reduce the ability of departments to charge students for certain course-related expenses. Field trips must generally be paid for from departmental budgets; be sure that sufficient supply and expense money has been budgeted.

2. DAIN Telephone Rate Increases. Regular long distance and basic telephone rates were increased significantly in 1975-76 and basic service rates are likely to again increase by 5% in 1976-77. In addition, rates for DAIN are likely to increase from 15 to 25 percent sometime during the 1976-77 year.

3. State Assumption of Liability Insurance Premium. Legislation adopted in the current session established a state general liability insurance fund similar to the state fire fund. Premiums for coverage under this plan will be paid directly by the State and the 1976-77 budget for the UW-Madison has been reduced by the amount of premiums paid in 1975-76. Consequently, a portion of this reduction attributable to auto liability coverage has been passed along to those units operating departmental vehicles. Departments which operate their own vehicles will see a reduction in their allocations. However, no auto liability premiums will be charged during 1976-77.

D. 1975-76 Nonrepresented Wage Adjustments. The amounts on this line are provided in recognition of the 1975-76 pay plan equity and performance award increases granted to classified employes in Pay Schedules 1, 2, 7 and 16. Rate changes for individual nonrepresented classified employes are reflected on the Form 2A.

E. 1975-76 Represented Wage Adjustments. Pay plan and performance award adjustments for represented employes in Pay Schedules 3, 5, 6, 8, 11, 12, 13, 14 and 15 are entered on this line. Rate changes for individual represented classified employes are reflected on the Form 2A.

F. Academic Merit.

1. The Initial Pay Plan Allocation. The academic merit line will not be used for merit and pay plan for faculty, limited staff, academic staff, and employes-in-training; the necessity to first establish a salary base for continuing employes in these groups makes it impossible to include merit

and pay plan funds in the initial allocation. After the base for continuing employes has been established, the allocation for merit and pay plan will be added as a hand-entered line so that it will not distort the total shown for the initial allocation.

The compensation plan for unclassified employes will be fully described in Chapter 5, which will be distributed at the time the compensation plan allocations are made. Depending on the final outcome of legislative action on the Annual Review Bill, the package will be either 5% (2.5% across-the-board and 2.5% merit) or 6% (3.5% across-the-board and 2.5% merit).

2. Adjustment of the Initial Pay Plan Allocation. The initial allocation for merit and the across-the-board increment will be determined by the salary base (after adjustments) of continuing filled positions. In addition to this pay plan allocation, each unit will also receive an allocation of base salary dollars (not "merit" dollars) under a formula which considers both budget and payroll salary levels. The purpose of the base dollar allocation is to enable units to increase the base rate of some of their more critical vacant positions. The total of the pay plan and base salary allocations will be approximately 5% (possible 6%) of the average payroll/budget salary base.

Changes in the continuing salary base level which occur after the initial allocation of the pay plan will require a transfer between the pay plan allocation and the base salary allocation to insure that the final salary increase for continuing staff does not exceed the legislatively approved pay plan percentage. That is, if a continuing faculty member announces his resignation after the initial pay plan allocation is made, it will be the responsibility of the unit to shift 5% (possible 6%) of his base salary from the pay plan allocation to the base salary allocation. Similarly, if the grant support for a faculty member is not renewed and it becomes necessary to shift his salary to state funds, a transfer of 5% (possibly 6%) of his salary base from the base salary allocation to the pay plan allocation may be made. Whatever changes occur, the final salary increase percentage (merit and across-the-board) for continuing staff may not exceed the pay plan percentage.

G. Assistants Rate Adjustment. This line contains the base funding increase amount necessary to adjust stipend levels by 5%. The allocation for each unit is based on a combination of budgeted amounts and actual payroll. In budgeting the Graduate Assistants on the state-supported budget, use the 1976-77 rates contained in the February 8, 1976 memorandum from Robert M. Bock. If the compensation plan is increased from 5% to 6%, a revised stipend schedule will be issued and sufficient additional funding provided to cover the rate adjustment.

H. Student Hourly Wage Adjustment. The minimum hourly wage for students will increase from $2.20 to $2.30 at the start of the fall, 1976 semester. The funds available to offset this increase have been allocated on the basis of budgeted and payrolled amounts. The amount shown on this line must be added to your student employment budget and cannot be reallocated for other purposes.

I. Indirect Costs for Federal Grants. The University has experienced a continued increase in the number and value of federal grants and contracts supporting its programs. This federal support is very important in assuring quality programs at minimal cost to the State; however, the increased level of grants and contracts places additional demands upon the administrative and support services of the University. The federal government recognizes these additional costs and the grants and contracts include payment to the University of indirect costs (overhead) which is provided for the purpose of assisting the University in maintaining necessary administrative and support services.

A number of the schools and colleges with significant levels of federal grant and contract support are being provided with a special allocation of indirect cost income (to be budgeted as Fund 101) to assist them in meeting increased administrative and support services costs associated with their grants and contracts. This allocation must be used for purposes which either directly or indirectly provide administrative and support services to the grant and contract supported programs. An example of how this allocation might be used would be to budget a portion of the department chairman's salary or departmental secretary's salary against this allocation in those departments which have programs supported by federal grants and contracts. It is essential that faculty who are responsible for obtaining the grant and contract support for the University's programs be provided with clear evidence that the University's regular operating budget is providing an adequate level of administrative and support services to grant and contract supported programs. Those units receiving an indirect cost allocation should be prepared at any time to describe the specific uses which are being made of the allocation.

3. Other Adjustments. A number of specific items unique to the individual budget units are identified in the 1976-77 planning allocation. These items reflect specific program changes which must be made in building the 1976-77 budget. If you have questions about any of these, call either the Vice Chancellor's Office or the UW-Madison Budget Office.

III. Position Allocations

In addition to the dollar allocations for 1976-77, a State funded FTE position allocation is also shown for each of the UW-Madison budget units. Section 16.50(3) of the Statutes requires, in part, that, "No additional positions above the number authorized through the biennial budget, budget review process or other legislative act may be granted without the approval of the Joint Committee on Finance...." Fortunately, this policy does not apply to positions funded from gifts and grants or self-supporting auxiliary funds, but it does apply to all State-supported positions.

The 1976-77 planning allocation schedule displays the FTE allocation by academic staff, classified staff, and total. The breakdown between academic (unclassified) and classified staff is for informational purposes only, and you need only be concerned that your total FTE count does not exceed your total position allocation. This total does not include any of the student appointee titles (Group VII, Appendix A), but all other positions are counted.

In order to insure that the UW-Madison is complying with State Law, the Department of Administration requires a monthly report from the payroll on the number of filled positions. This report will be closely monitored by the UW-Madison Budget Office to insure that the University does not exceed the authorized number of positions available. If it is found that more positions have been filled than are authorized, a hiring "freeze" will probably be imposed on units which have exceeded their allocation until attrition lowers the filled position level to the authorized level.

Since provisional amounts budgeted for additional staff do not produce FTE position counts in the budget but do produce FTE counts when converted to faculty or academic staff appointments on the payroll, any budgeting of provisional amounts would understate the actual number of positions anticipated. This might cause a unit to inadvertently exceed its authorized position level on the payroll report. To avoid this possibility, the only State-funded group positions or provisional amounts for additional staff which will be permitted in the 1976-77 budget will be for graduate assistants, student help and limited term employes.

If you have any questions about specific position allocations or have problems resulting from the position allocation, contact either the Vice Chancellor's Office or the UW-Madison Budget Office.

IV. Fund 132 Revenue Accounts

A number of Campus budget units will again be asked to identify specifically the amount of Fund 132 revenue which they will receive during 1976-77. A special Form 21 will be provided and the budget allocations of these units will be adjusted in accordance with their revenue projections. Units which

have Fund 132 revenues supporting their Fund 101 base are expected to adjust their budgets during the year to insure that expenditures do not exceed income. A review of Fund 132 receipts will be conducted by the UW-Madison Budget Office and if it appears that revenues are not likely to equal expenditures, a mid-year budget adjustment will be required.

V. Required Savings

It is expected that required savings will continue in 1976-77 at, or somewhat above, the level experienced in 1975-76, and you should plan accordingly.

VI. Other Fund Allocations

In general, only Fund 101-119 amounts are allocated. The allocation schedules for Fund 101 are white while other funds (e.g., Student Aid, Utilities, etc.) are allocated on colored schedules to help distinguish them from Fund 101 amounts.

VII. Auxiliary Units

Separate instructions have been provided for Auxiliaries (including Fund 128 activities) and any questions on these should be directed to George Brieske (263-2611). However, the staff detail Form 2A and the supply and expense, capital and fringe benefit detail Form 1 will be submitted to the UW-Madison Budget Office as in the past.

WASHINGTON UNIVERSITY

WASHINGTON UNIVERSITY

UNIVERSITY GENERAL DIRECTORS AND DEPARTMENT HEADS

1976-1977 BUDGET INSTRUCTIONS

Preprinted Budget Request forms have been provided for use in submitting proposed departmental income and appropriation budgets.

ESTIMATED INCOME
Please list all income sources and amounts.

APPROPRIATIONS
In preparing your budget, please note the following comments, complete the accompanying detail forms, and then complete the Budget Request form:

General Comments

1. Annuity Premiums and Social Security Charges will be computed for you.
2. Travel, including entertainment connected with travel, will be budgeted by each department and approved by the appropriate Vice Chancellor.
3. Equipment will be budgeted by each department. Remember, only items over 200 are considered equipment. A chair costing 125 is classified as expense.
4. FY76-77 Administrative Appointments -Appointment information for University records will be recorded from the Salary Budget Detail form for full time administrative reappointments only. Please submit individual appointment forms for all others. Your attention is called to the new termination line on the Salary Budget Detail sheets for 10 accounts. If anyone is not being reappointed please circle the appropriate "reason". If "other" is circled, please explain. This will eliminate the necessity of submitting an appointment form to terminate someone.

   Note that, as in prior years, the Director and Department Head's salary will be reviewed by the appropriate Vice Chancellor or Chancellor and any salary increase will be added to the proposed budget by the Budget Office.

5. Staff Personnel - It will be necessary to submit individual salary detail for staff payroll (budget code 12). However, salary increases will have to follow community patterns and the classification ranges established by the Personnel Office. The classification ranges, effective July 1, 1976, are enclosed.
6. Expense, Equipment and Allocations - Budget Request Detail Form

   A. Supplies and Consumable Materials Expense and Miscellaneous Expense
      Show detail for all significant items; especially office supplies and photocopy costs for budget code 34 and equipment rental, postage, printing, telephone, and entertainment not connected with travel for budget code 35.
   B. Equipment
      Show equipment items in detail.
   C. Expense Credits
      Show detail by department of credits to be received.

1976-77 Budget Instructions
Page Two

D. Allocations

Salary and expense allocations must be negotiated between department heads. Annuity premiums and Social Security charges related to salary allocations will be computed for you based on the amount of salary to be allocated and the individual involved.

Show budget category, itemized detail and total amount by budget category. Total should be shown and carried to the corresponding budget categories on the Budget Request form.

ort

WASHINGTON UNIVERSITY

Procedures for Operation of the 1976-77 Budget
University General Divisions
and Auxiliary Enterprises

1. The Director or head of each department has the responsibility for administering the budget for his department within established policies.

2. The Director or head of each department should administer the department budget subject to the following limitations:

   a. The budget grouping which combines the Consumable Supplies (34), Other Expense (35) and Equipment (63) Accounts eliminates the need for budget transfers between these accounts. Charges against any one of the above budgets may be greater than the original or adjusted budget so long as the total amount available in the budget grouping is not exceeded. Expenditures are recorded in the individual accounts to provide data for future budget preparation and planning.

   b. Transfers from Social Security, Annuity, Renovations, Faculty/Staff Child Remissions or Cash Payments, Staff Remission by Continuing Education, and Computer accounts are not permitted.

   c. Transfers from, within or into Salary Accounts (Administrative, Academic, Non-academic and Graduate Assistants) are normally not permitted. If exceptional circumstances seem to warrant consideration of such a transfer, the request should be made in writing to the appropriate Vice Chancellor. All transfers affecting the Administrative and Academic Salary accounts require the approval of the Executive Vice Chancellor or the Chancellor.

   d. Transfers from Salaries, Travel and special accounts to either Expense or Equipment are normally not permitted. Approval to transfer into the Expense or Equipment accounts must be given by the appropriate Vice Chancellor.

   e. The Entertainment Expense Budget is for furthering our affairs with people outside the University. Thus, payment for meals for prospective staff, visiting dignitaries, sponsors, or donors is appropriate. Spouses and large numbers of University staff generally should not be included.
   Generally, payment for meals, refreshments or entertainment by W.U. personnel for other W.U. personnel (employees or students) is not reimbursable.

   f. Any proposed change in levels of inventory or accounts receivable must be presented and justified to a committee consisting of Messrs. Dauten, Evans, Hasselbring, Benson,

and Huntsinger.

g. No changes may be made in allocation or proration budgets without the approval of the other parties concerned and the consent of the Executive Vice Chancellor.

h. Since the amount of College Work-Study Programs funds is generally not known when budgets are being prepared and approved, such funds cannot be used to provide for an increase in spendable funds over those approved in the budget. Any plans for expenditures from funds made available because of the allocation of Work-Study funds requires justification and prior approval by the appropriate Vice Chancellor.

3. Responsibility for administering a department budget may be delegated to other persons by the Director or head of each department. A signature card, which can be obtained from the Accounting Services office, must be filed with the Data Center for those authorized to sign on an account. Signatures already on file in the Accounting Services office will continue to be honored until revoked or revised. Any additions or changes must be reported to the Accounting Services office on the signature card form provided for this purpose.

4. Questions concerning procedures for operation of the 1976-77 budget should be directed to Maxine Weir, extension 4601.

KM:dca
6/2/76

WASHINGTON UNIVERSITY LIBRARIES

LIBRARY ADMINISTRATIVE COUNCIL

February 26, 1976

Minutes

Present: William Kurth, David Zubatsky, Ernest Tsai, Betty Krause, Jamie Graham, Imre Meszaros, Betty Galyon, Kay Shehan, Laura Kuelthau, David Nevin, Judy Fox, Shirley Jones, Betty Boecker, Lynn Wishart, Gwen Reveley, Mary Donaldson, Ken Nabors

I. Library Budget for Fiscal 1977

Mr. Kurth opened the meeting of the Library Administrative Council by first commenting on a "lost" interview he and Renata Rotkowicz had with a Student Life reporter on January 29, pointing out that the budgetary discussion at the interview was unrelated to the University Library Budget for 1977 (the reason being that no specific information was available at the time) and should be read in this light by the Library staff. For some reason the story has not been published.

He then briefly recapitulated what was mentioned at the most recent meeting of the Library Administrative Council, that the Budget target for 1977, constituting 2.6% over the Budget of FY 1976 (the current year), was taken up at the Library Council meeting of January 28, that the Council felt it was important to indicate to the Chancellor and the University Administration its concern over the Budget and its inadequacy in dealing with the pressure of increases in books and periodicals and in providing for increases in salaries.

On February 18 Chancellor Danforth, Executive Vice Chancellor Dauten, and University Vice Chancellor Coor met with the Chairman of the Library Council and the University Librarian to discuss the University Library Budget. The financial situation faced by the University was outlined by the Chancellor (Note: Chancellor Danforth's letter of February 27, 1976 provides background). Although the budget target for Fiscal 1977 remains unchanged, there is a good possibility that one-half of the Parent's Book Fund will be given the Library in addition to its regular budget in FY 1977. (This is very favorable since one-half can amount to $20,000.)

Mr. Kurth continued by pointing out the severe problem faced by most universities today, that fuel costs, as an example, had escalated to such an extent that Harvard and Virginia remained closed during the recent holidays. (Harvard had saved $150,000 in fuel costs by this action.) Turning next to the University Library Budget, Mr. Kurth pointed out that a basic issue -- affecting all university libraries -- is the inflationary pressures on the salary account (comprising about 50% of the budget at W.U. Libraries) and the allocation for books and periodicals (about 35% of the budget). With the University policy to have salary increases in 1977 and an expected increase of at least 10% in books and periodicals, there is very little room for maneuvering in our budget.

With these factors in mind, there will be a need to review critically all positions as they become vacant, with consideration being given to merging or re-describing them, and checking our bi-weekly (student) payroll for FY 1977 to ascertain if we can make any reductions. (The Work-Study Program is of help to us, although the maximum number of hours per student is a hindrance.)

A review of budget categories then followed, with Assistant University Librarian Zubatsky outlining the need to reduce our expenditures for Supplies, Expense, and Equipment. (It is imperative to submit Equipment requests as early as possible.) He indicates that the cooperation and suggestions of the staff of the various Departments and the Departmental Libraries on conserving our expenditures would be welcomed.

It probably will be necessary to have some spreading out of our Travel, which supports participation in important meetings, workshops, and seminars, to conserve funds.

Regarding the Acquisitions Fund, Mr. Kurth mentioned that the preliminary budget represented about $10,000 more than did FY 76, but that FY 76 had benefited from a "carry over" of $70,000 (due to the failure of the Richard Abel Company to supply material on a large scale in FY 75). There will be repeated need to examine subscriptions for relevance to academic programs and some difficult decisions will have to be made on cancellation (and reliance on the Center for Research Libraries). This particular operation is not a short-term one.

At the conclusion of the review of the budget, Mr. Kurth talked briefly about University Library objectives as representing a balance between our services to the users on one hand and collection development on the other hand, and the "mix" of the two we find most appropriate for Washington University. He also mentioned that cooperation vs. strong collection building is not an "either/or" choice, but that purposeful cooperation implies strength in the collection building area, and that we are definitely in a "cooperative mode" (e.g., our activities in MIDLNET, CRL, reflect this) to perfect arrangements involving strength. In this context we are also moving toward the new information technology (utilization of other than our conventional library materials) as complementary factors.

BUDGET COMMITTEES

Chapter VII

RUTGERS

BUDGETING

George Carrol, Admin
Jane Meeks, Alex
Carol Roehrenbeck, Nwk Law
Bernard Downey, IMLR
Shirley Bolles, LSM - Chairperson

I. Introduction

II. Present Budgeting Procedure

III. Strengths and Weaknesses

IV. Recommendations

V. Appendix

I. Introduction

The Task Force on Budgeting was charged with reviewing existing budgeting practices within the Library and to evaluate these procedures as factors contributing to the achievement of the Libraries' goals. The investigation was aimed at determining the nature of present approaches, how budgeting relates to planning and policies, and assessing how well the current budgeting system works. Library practices were considered within the constraints placed upon them by the larger units of which the Library is a part.

The Task Force consisted of four members who volunteered to work on budgeting early in the MRAP study and a chairperson who is a member of the Study Team. The Task Force interviewed the University Librarian, Associate Librarian for Technical Services, the University Bibliographer and a representative of the University Budgeting Office. In addition, two open meetings were held (in New Brunswick and Newark) at which a presentation on the budget and the work of the Task Force was made and comments and criticisms of budgeting procedures were made by attending staff. The response to these meetings was very encourageing. The Task Force was further helped in its information gathering function by having a member of the Library's budgeting team on the Task Force.

The Task Force has considered budgeting in its broadest sense rather than just as a vehicle for the financial control of the Library although that requirement has not been overlooked. A description of present procedures follows with the Task Force's analysis and recommendations for further action.

II. Present Budgeting Procedure

A. University and State Budgeting

The State of New Jersey is officially on a Program Budget with Higher Education considered one of many statewide "programs."

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Rutgers University is considered an "element" and the Library a "sub-element." The budget requested for each sub-element is composed of a statement of objectives and a list of funds needed to accomplish the objectives. This request is reviewed by the Department of Higher Education and the Budget Bureau and these agencies are not always in agreement on policy and procedures. The University attempts to meet the requirements of both departments by submitting a budget with dollar amounts which are generated by formulas and program objectives which indicate priorities.

The Department of Higher Education provides overall funding on a cost-per-student basis and is now developing formulas which isolate components of the total budget. Formulas have been developed for Student Services and Physical Plant and it is reasonable to expect the Department to begin work on a formula for libraries in the near future. The Department has not accepted the Washington Formula which is currently used by the University Library.[1]

The state uses an annual budget cycle which requires that all Government Agencies prepare, review and monitor an Asking and a Working Budget. The Asking Budget is prepared and submitted in June or July, thirteen months in advance of the year in which the funds are needed. A lump sum Working Budget is usually received in June for the fiscal year beginning July 1. Typical Asking and Working Budget cycles are illustrated below:

MONTH	LIBRARY ACTIVITY	
	Asking Budget 74-75	Working Budget 73-74
June-July	Library submits budget request to University Aiministration	Library received lump sum budget from University Administration
July-August	University Administration reviews request	Library divides funds among the various units
September	University submits request to Department of Higher Education	Library units begin to utilize additional resources
October-April	Monitor progress of request through Department of Higher Education, Budget Bureau and State Legislature	Review Financial Reports to Control expenditures
May	Prepare Library Asking Budget for 75-76	Review Financial Reports to Control expenditures

[1]"A Model Budget Analysis System for Libraries," Office of Interinstitutional Business Studies, c/o The Evergreen State College, Olympia, Washington, March 1970.

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The University Library submits one budget request for the entire system of research, professional, instructional and special libraries located in New Brunswick, Newark and Camden.

B. Library Budget Procedure

1. Book Budgeting

The following steps are followed:

a. Statistics required to use the Washington Formula are gathered. A physical inventory of library materials is taken in June to accurately determine the size of each collection. Data on enrollment, faculty and academic programs is obtained from the University Administration.

b. The Formula is used to generate a lump sum request for the entire University Library which is submitted to the University Administration.

c. The University Administration reduces this request by concentrating on the incremental increase in students, faculty and programs, and submits it to the State.

d. When funding is received from the State, the University Administration determines the total budget to be assigned to the Library.

e. The Library Administration uses the Washington Formula to allocate funds to each unit. It is at this point that allowances must be made to apply the formula to Rutgers' situation. The formula must be modified for:

(1) Law Libraries - The formula was not developed to serve professional schools. Rutgers has determined what is an appropriate "target collection" for each of the two law libraries which are located in Newark and Camden. This target is used to allocate the schools their portion of the overall book budget.

(2) Research Libraries - Rutgers has divided its research collection between two major libraries which are on separate campuses. The Alexander Library houses the social sciences and humanities collection while science research material is found in the Library of Science and Medicine. The Washington Formula does not provide for this unusual separation of research material so the Library determines how to split the funds for these units.

f. Current Library policy on distribution of book funds is:

(1) Certain funds are taken "off-the-top" before the book budget is divided by Formula. Examples are the budget for General University Library expenses and the funds for the centrally held film collection.

(2) Funds are distributed according to distance from target, i.e., all libraries are being brought up to an equal percentage of the Formula established targets.

(3) Money available from grants and gifts are not considered when dividing book funds.

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(4) Construction funds used for library materials are used to adjust the total allocation coming from the library's book budget to any individual unit.

g. Librarians of individual units determine how their portion of book funds will be spent.

2. Personnel Budgeting

Personnel costs are covered by the salary and wages budgets.

a. Salary Budget

For the past three years the Washington Formula has been used to request salaried positions from the State. One request for staffing is prepared for the entire library system which includes eight major libraries and a dozen small branches. When budgeted positions are authorized the Library Administration is faced with the problem of dividing these scarce resources among the major units. The Washington Formula is used to guide this division, however, other factors are used to make the final allocations which is based on judgment of the University Librarian and her staff. Fifteen new lines were allocated in FY 73-74 after consideration was given to these factors:

(1) Total number of new lines available
(2) Size of existing staff and recent growth pattern
(3) Size of the staff relative to other libraries in the Rutgers system
(4) Ratio of librarians to staff in the unit making the request
(5) Stated needs of the head librarians
(6) Enrollment projections

The Washington Formula generates staffing for technical services and public services. The Rutgers Library has a centralized ordering, cataloging and technical processing center so the staff allocated to technical services must be split between this center and individual libraries. In FY 72-73 these lines were split 50-50.

b. Wages-of-Labor Budget

The wages-of-labor budget is used to cover the cost of students and staff who are paid on an hourly basis. The Library receives approximately $230,000 for this expense and the funds are divided along with the new salaried positions. The procedure described above for salary positions is used after dividing the total allocation by $5,460 to determine the number of full-time equivalent positions (FTEs) available. These newly assigned FTEs are then added to the number of salaried positions in each unit to arrive at a total FTE count. This count is used to calculate the percent of staff target for each unit according to the Washington Formula.

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3. Equipment, Supplies, Services, Etc.

For the past three years funds needed for equipment, supplies, postage, telephone, etc. have been requested in an ad hoc manner. Each librarian submits a request to the Library Administration which indicates specific requirements. The requests are combined and forwarded to the University along with the staffing and book fund requests. There has never been an attempt in the Library to use a formula approach when preparing an Asking Budget for these expense categories.

When the Library receives its total budget in June the librarians review the total increase and decide how to apportion this amount to the major categories of expected expense. When the total increase for below-the-line categories is decided upon, it is divided equally among the eight major units. A share is also allocated to the General University Library budget which is used to finance services for all libraries.

4. CAPTAIN Budgeting

As a budgeting entity CAPTAIN is completely separate from the University and receives its own budget from the Department of Higher Education. With more of the CAPTAIN system becoming operational and as the administrative structure of CAPTAIN evolves, work continues on separating those functions and staff which should be funded by the Library from those which are funded directly by CAPTAIN. This division will be a problem for the Library for the next few years but the hiring of an Executive Director for CAPTAIN should make the work easier.

III. Strengths and Weaknesses of the Present System

A. Strengths

1. Library has almost complete control of funds once total allocation has been received from the University.

2. Flexibility -- Money assigned to each unit has few strings attached. Individual administrators are free to use money as they wish within broad object codes (salaries, books, supplies, etc.) and even between categories there is some flexibility.

3. Ease of budget preparation -- Large blocks of administrative time are no longer used in complicated budget presentations.

4. University administration is reasonably comfortable with the form of the budget request.

5. Budget distribution is open with group participation at least to the Cabinet level.

6. Competition between Library units has been reduced.

7. In using Washington Formula to distribute book funds, the Formula is modified to develop weaker libraries at a faster rate than stronger ones.

8. Funds are beginning to be set aside for "special projects" -- Usually one-time projects that can be completed within a year.

9. The Library has established fixed responsibilities and staff in the area of budgeting.

10. Budgetary control is adequate in most areas, except book expenditures. Here the Library is trying to use CAPTAIN for improvement of the accounting and data collecting problems concerned with book funds.

B. Weaknesses

1. Library's objectives are not stated in such a way that dollars can be allocated to them. Therefore it is difficult to see how the budget supports or does not support the objectives.

2. Accountability -- We need more information on how money is being spent. This will require more measurable out-puts.

3. Washington Formula has not worked very well for allocating staff lines.

4. Washington Formula has not really been accepted by the State. We use the formula for dividing funds but not for the asking budget as Washington Formula generates huge fund requests.

5. We have no empirical data to justify Washington Formula or any other formula.

6. Participation of the staff below unit head (Branch Librarian) in budgeting is very uneven.

7. Working budget comes too late in year -- We are well into academic year before funds are allocated to all libraries.[2]

8. Not much integrated long-range planning and budgeting is done in the Library.

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[2]For the first time the Library has received a tentative budget for fiscal 1974-75. This will represent the first chance we have ever had to plan a year in advance.

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9. Often sufficient and timely institutional data is not available for budgeting and planning in the Library. We particularly find it difficult to budget to meet new programs.

10. Use of book funds for "non-book" materials affects use of Washington Formula. Media needs to be converted to units that can be counted as part of the collection and expressed as % of target.

11. Not enough information comes to the staff. Formal communication to all staff on the budget and budgetary process is needed.

12. Accounting problems exist regarding payment of library materials invoices and at certain times of the year accounting reports are slow in arriving.

13. The library has no real knowledge of how University budgeting decisions are made and very few ways of influencing these decisions to obtain more money.

IV. Recommendations

It is our general recommendation that the Library Administration not be preoccupied with methodology such as formula vs. program budgeting as long as key budget functions are being performed, there is participation in the budgeting process, and the budget supports the goals of the Library.

A. Library Mission Statement

The terms, "goal," "mission" and "objective," are often used interchangeably which is unfortunate for all who are trying to plan and budget in a systematic fashion. We believe the terms must be defined, statements prepared which can be measured and costed, and the results disseminated. Such effort will improve the Library budgeting process.

1. Specific Recommendations
   a. Adopt terminology that provides for a breakdown of the Library's mission into attainable objectives. These objectives can then be revised periodically.
   b. Determine which objectives are long term and which are short term and rank them in priority order.
   c. Compare the statement of mission and objectives to the Library budget to be sure funding is proportional to the priority ranking.
   d. Complete the work begun on scope notes for each Rutgers University Libraries unit.
2. General Recommendations

   Institute a Management-by-Objectives program in the Library which extends mission and objective statements to the unit and departmental level.

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B. Library Statistics

Empirical data to provide a basis for decisions in budgeting and planning for library functions are poor. Published formulations are based on estimates that have received little testing in actual experience. The credibility of the Washington Formula is based upon acceptance of given figures for such items as the size of the opening-day collection, the number of volumes necessary to support programs at the master's level or the doctoral level, and the number of users per reference-service staff. Improved statistics are needed to form the basis for budgeting that would be acceptable to the Department of Higher Education and rational for the Rutgers University Library system.

1. Specific Recommendations
   a. Statistics should be prepared for units of the Rutgers University Library system. These could, for instance, cover the collection size for various levels using the numbers of volumes currently supporting teaching and/or research in different disciplines; or cover the staffing levels in Reference Services and Technical Services as related to effectiveness or backlogs, or use statistics.
   b. Work with the Office of University Studies to see that the Library is provided with the kind of statistical data that will be needed to plan and cost our programs.

2. General Recommendations

Research studies should be promoted to formulate and test hypothese on, for example:
   a. The range in size of opening-day collections and its relationship to effective service.
   b. The number of volumes necessary to support teaching and research at various academic levels in different disciplines.
   c. The ratios of reference staff and users, and the parameters within which service is most effective.

C. Accountability

Some of the frustrations expressed with the "cut and dried" approach of formula budgeting result from a general lack of formal accountability among the individual unit heads. While book funds and staff may be allocated by formula, some statement of program should accompany this budget. Each Librarian should clearly state his objectives and priorities giving both the Library Administration and other Librarians a clear idea of the relationship of programs to funds available. In time, this approach might lead to further modification of formula budgeting but any change would be gradual.

1. Specific Recommendations
   a. Have each Unit Librarian give a brief annual program presentation to the Cabinet as part of the budgeting procedure.

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b. Evaluate performance of units and key administrators on the basis of attainment of specific objectives.

2. General Recommendations
   a. Study the problem of meaningful measures of library activities so that quantity measurement does not overcome determinations of quality.
   b. Continue to measure input vs. output wherever possible.

D. Budget Communication

In the budgeting process, no less than in other activities of the Rutgers University Library, effective communication is a primary requirement for sound decision making as the Library moves toward its stated objectives. Such communication recognizes the need for a free flow of facts, ideas and feelings among the members of the staff. Of particular importance is the development of lines of communcation which are two-way, downward and upward.

1. Specific Recommendations
   a. Actively seek input on budget matters from individuals at all levels.
   b. Provide to all staff members details on the asking and working budgets at both the formative and final stages of development.
   c. Report annually to all staff members on budget expenditures.

2. General Recommendations

Develop an on-going program of continuous information on the status of budgeting matters as they affect the Library and library activities. This information program should cover not only University budgeting and internal Library budget interests, but also Federal and State financial affairs that affect the Library budgeting process.

E. Planning

Planning is the analysis of objectives and financial conditions to determine the most effective as well as alternative courses of action to achieve those objectives. Currently this is done for the upcoming fiscal year only. This lack of planning leads to poor utilization of current resources, inability to plan in advance for programs and construction projects, and frustration in achieving goals.

1. Recommendations

Many of the recommendations listed above clearly demonstrate the need for integrated budgeting and planning. For this reason specific recommendations for planning are here.

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V. Appendix: Problems with the Washington Formula

A. Resources

1. 100% of target is actually threshold, not perfect. It should be considered as 65%

2. 5% minimum increase tends to be treated as a base rate by politicians.

3. 5% minimum increase makes the big get bigger and the small get smaller.

4. In times of recession there is no provision for the cost of recovery.

5. In times of recession there is no account taken for the fact that more money goes into serials.

6. In times of recession, you can decide to have the same number of books of lesser quality, or fewer books of the same quality, which affects the volume count.

7. There is no provision for the cost of space.

8. There is no provision for weighing the relative costs of different subjects.

9. There is no allowance for adding or deleting programs: i.e., having the same total number but different subject.

B. Public Services Staffing

1. There are differences in levels of public service necessary because of local needs: i.e., disadvantaged students, or complex research.

2. Complexities in physical structure, organization, or decentralization can make for different needs in staffing.

3. Interlibrary loans put a greater strain on the public services staff of the smaller libraries, who often have to borrow more.

C. Technical Services Staffing

1. It does not provide for differences in depth of cataloging.

2. Ostensibly it provides for differences in processing times for the larger libraries, but it can be proven that, in fact, it does not.

3. It does not provide for changes that take place in equipment or systems: i.e., the effects of computerizing.

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D. General

1. Research and development are outside the formula.

2. Conversions and improvements are outside the formula.

3. There is no provision, directly, for administrative staff

4. The basic figures in the formula, not those in the Clapp-Jordan formula from which it was derived, have not been subjected to sufficient empirical testing.

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BUDGET PRESENTATIONS

EMORY UNIVERSITY

Division or School Central University Libraries Department _____

Budget Request, Fiscal Year Ending August 31, 1977

Budget Account No. 528

Budget Categories		BUDGET CURRENT YEAR	REQUESTED BY DEPARTMENT	RECOMMENDED BY DEAN	RECOMMENDED BY PRESIDENT	
Personal Services (Detail Attached)						
Salaries and/or Wages		750,894	864,669			
Annuities and O.A.S.I.		70,931	87,280			
Total Personnel Budget		810,394	951,949			
Travel (If Any)	-24	4,300	7,000			
Equipment (Detail on Reverse)	-25	20,832	42,243			
Supplies:						
Instructional	-31	6,500	12,200			
Office	-35	17,500	19,400			
Other Categories (If Any)						
Books, Periodicals, Binding	-41	460,000	550,000			
Computer Applications	-36					
University		6,300	6,300			
SOLINET		26,000	50,000			
Data Base Services		3,500	7,000			
Memberships						
Association of Research Libraries		2,000	2,000			
SOLINET		3,500	500			
Audio-Visual Memberships		0	100			
* TOTALS		1,360,826	1,652,792			
Special Request for Funds to Eliminate Basic Deficiencies in the Collection			166,285			
* GRAND TOTAL		1,360,826	1,819,077			
*Totals include these Teaching Aids Figures		44,944	86,309			

CENTRAL UNIVERSITY LIBRARIES

EQUIPMENT ----- 1976/1977

I. General.

(1)	1 each	Ten drawer metal map case for the Special Collections Department, Cole #E-4-4332, plus base.	$ 558.00
(2)	1 each	Thirty drawer card catalog unit for the Documents Center. Library Bureau 93515R, plus base	785.00
(3)	1 each	Music listening system for the Asa Griggs Candler Library	750.00

II. Teaching Aids Department.

(1) Replacement of worn out and outmoded equipment.

2 each	16mm projectors @ $700	1,400.00
2 each	8mm projectors @ $400	800.00
2 each	Carousels @ $200	400.00
1 each	audiocassette duplicator	1,300.00
		3,900.00

(2) New and added equipment.

2 each	color TV monitors @ $700	1,400.00
1 each	Sony VO 1800 videocassette recorder	1,650.00
1 each	Sony AV 8400 portable video recorder	1,800.00
1 each	monochrome TV camera	1,000.00
		5,850.00

(3) Equipment to care for film if film library is developed and used.

1 each	high speed film cleaner to replace present hand model	2,400.00
1 each	automatic film inspector	8,000.00
		10,400.00

II. Replacement of malfunctioning turnstile control equipment in Woodruff Library

(1)	1 each	CardKey System Interrogator 880 Central Controller	20,000.00
		GRAND TOTAL	$ 42,243.00

Department of _____ _____
(Account Number)

NAME OR ITEM	DEGREE	TITLE	MONTH TENURE	BUDGET CURRENT YEAR	REQUESTED BY DEPARTMENT	RECOMMENDED BY DEAN	RECOMMENDED BY PRESIDENT	
These sheets contain salaries for each Library FTE. For the Library, there is no recommendation by the Dean (next to last column). After the request is made, the Director of Libraries works with the total budget allocation to make adjustments in salaries, book funds, etc. so that the final budget fits into the total approved budget. The President then routinely uses the Director's final figures as the President's recommendation which becomes the official budget (after Board of Trustees Executive Committee approval).								

CENTRAL LIBRARIES

SUMMARY OF BUDGET REQUEST 1976-77

	1975-76 Budget	1976-77 Request	Increase	Percent Increase
Staff				
Librarians	$ 353,100	$ 427,181	$ 74,081	21.0
Library Assistants & Clericals	326,863	372,988	46,125	14.1
Annuities, etc.	70,931	87,280	16,349	23.0
Student Assistants	59,500	64,500	5,000	8.4
Sub-Total	$ 810,394	$ 951,949	$ 141,555	17.5
Travel	4,300	7,000	2,700	62.8
Equipment	20,832	42,243	21,411	103.0
Postage	0	4,100	4,100	-
Supplies				
Instructional	6,500	12,200	5,700	87.6
Office	17,500	19,400	1,900	10.9
Books, Periodicals, Binding	460,000	550,000	90,000	19.6
Computer Applications				
University	6,300	6,300	0	0
SOLINET	26,000	50,000	24,000	92.3
Data Base Services	3,500	7,000	3,500	100.0
Memberships				
ARL	2,000	2,000	0	0
SOLINET	3,500	500	- 3,000	- 700.0
Audio-Visual Membership	0	100	100	-
*TOTALS	$ 1,360,826	$ 1,652,792	$ 291,966	21.5
Special Request for Funds to Eliminate Basic Deficiencies in the Collection		166,285	166,285	-
*GRAND TOTALS	$1,360,826	$1,819,077	$ 458,251	
*Totals include these Teaching Aids Figures	$ 44,944	$ 86,309	$ 41,365	92.0

CENTRAL LIBRARIES BUDGET REQUEST NARRATIVE

I. Summary of General Approach

A. The primary emphases in developing the budget request were:

Upgrading of librarians' salaries to achieve parity with average salaries in Southeastern research libraries;

Accommodating cost of living increases for librarians and general staff;

Providing new positions to establish critical services in Teaching Aids and to alleviate excessive workload situations;

Attempting to insure maintenance of the current rate of acquisitions;

Absorbing price increases in other budget areas;

Eliminating crucial gaps in the collection by making a single large purchase of items which have been too expensive to be included within the scope of normal book budgets.

B. This budget request reflects for the first time the integration of the Teaching Aids Department into the Central Libraries (Woodruff, Chemistry, and Candler) budget.

II. Line Item Commentaries

A. Personnel

1. Librarians - Salaries of the librarians are alarmingly low compared with salaries reported in surveys of this region's academic libraries. The Association of Southeastern Research Libraries' Salary Survey of 1974-75 shows that only four of its member institutions have professional salary levels lower than those of the Central Libraries. The following statistics are drawn from this survey.

	Mean Salaries		ASERL Ranking of Emory Central Libraries
	ASERL All Libraries	Emory Central Libraries	
Department Heads	$ 15,050	$12,850	24 of 28
Librarians below Department Head Level	11,269	9,833	24 of 28

Data from the Association of Research Libraries' Annual Salary Survey: 1974-1975 (Sept. 1975) confirms our relative position, both regionally and nationally. This survey, using median salaries instead of averages, is summarized below.

	National Ranking	Median Salary
ARL Southern Region Libraries	66 of 87	$11,700
Emory Central Libraries	85 of 87	10,300

The budget proposal contains a salary adjustment which attempts only to bring the librarians' salaries close to the average levels of comparable institutions.

2. Cost of living increment - All salaries are proposed with an 8 percent increase to compensate for the escalations in the Consumer Price Index which are noted below:

Atlanta*	CPI-Sept. '74	CPI-Sept. '75	Percent Change
All Items	153.0	164.7	+ 7.9
Food at Home	171.9	187.4	+ 9.0
Housing	155.3	170.2	+ 9.6
Services (medical, utilities, transportation)	160.8	172.8	+ 7.5

U.S. City Average**	CPI-Aug. '74	CPI-Aug. '75	Percent Change
All Items	149.9	162.8	+ 8.6

*U.S. Department of Labor: Bureau of Labor Statistics. News. (Southeastern Regional Office, Atlanta) Oct. 22, 1975.

**U.S. Department of Labor: Bureau of Labor Statistics. Monthly Labor Review, Vol. 98, No. 10. Oct. 1975, p. 108.

3. New positions - The request for 3.5 new positions is based upon the need to upgrade services and to alleviate understaffing in several areas.

Media-cataloger (Cataloging): The Teaching Aids Department has been attempting to initiate the process of cataloging and organizing their rapidly growing media collection with an unbudgeted, part-time cataloger paid from funds for student hours. This effort has not sufficed, even as a stop-gap measure, and the proposed position would permit the coordination and cataloging of non-print materials.

Clerical (Administrative Office): Efforts to bring all fund accounting activities not related to book and periodical acquisitions into the administrative office have been hampered by the fact that this office staff (2 FTE) is already working at full capacity. The introduction of job reviews and performance evaluations into the Library is already

creating more typing and filing. Other typing projects involving book lists for reports and donors and similar activities should be produced in the administrative office to relieve the processing departments of non-processing functions.

Clerical (Reference Department): One-half FTE to perform general office tasks for the reference librarians. This would permit the department to fully utilize its one library assistant for interlibrary loan support work, which would, in turn, allow the librarians more time for reference services and direct bibliographic support of academic programs.

Electronics Technician (Teaching Aids): A full-time technician is needed to maintain audio-visual equipment. The shortcomings of the current arrangement would, in some measure, be corrected by such a position since it could serve as a focal point for minor repairs and servicing of audio-visual equipment within the Libraries. Exploratory meetings with representatives from audio-visual centers in the College and Medical Library indicate a definite need to come to grips with the problem of equipment maintenance. The existing piece-meal approach results in inefficient and duplicate efforts which are time consuming and costly to the University. The funding of such a position could be brought about cooperatively in the future. Both the College and the Medical Library have expressed an interest in such a possibility. There is, however, no doubt that the position is immediately necessary for effective audio-visual programs.

General Remarks on New Positions

The addition of a new cataloger coupled with the transfer of certain clerical routines to the administrative office is designed to: accomplish a reduction in routine processing workloads; eliminate a growing backlog of uncataloged non-print materials; and facilitate the integration of catalog records from the professional school libraries into Emory's main catalog in Woodruff Library.

To illustrate the causes of this problem the following facts are presented:

- While the number of titles added per year to the Woodruff Library collection has remained relatively constant since 1969-70 (the last year in which a new position was added to the catalog department), the number of titles added per year from the other libraries on campus has doubled from 4,470 in 1969-70 to 8,905 in 1974-75.

- Comparative statistics

Library	Titles Cataloged per Cataloging FTE (1974-75)
Central Libraries	1,472
Medical Library	394
Law Library	269

The above figures represent only those titles purchased and processed within the given library. The responsibility for integrating all campus titles into the master catalog substantially increases the workload shown for the Central Libraries.

B. Travel

The travel fund request was generated by using the figure of $165 per librarian with an added amount for the Director to represent the University Libraries at conferences, the Head of Special Collections to solicit collections, and to interview job applicants.

As indicated above, this budget will be used to pay some expenses of candidates being interviewed for professional positions. In the past, travel funds have been inadequate for this purpose, and without these provisions, the Library cannot advertise in good faith through the standard journals.

There are a number of meetings each year which are held to present the latest developments in cataloging rules and practices, and the evolving changes in network applications. Attendance at these meetings is imperative for appropriate members of the staff.

C. Postage

This is a new account which represents a consolidation of our postage operations with the introduction of a postage meter, thereby eliminating many departmental cash stamp funds. This postage was previously paid from the supplies fund, which accounts for the fact that no increase has been requested for the Library's portion of the supplies account. Note, however, that postage payments for incoming book shipments must be paid from the book budget.

D. Supplies

The introduction of an instructional supplies account is due to the absorption of the Teaching Aids Department into the Central Libraries budget. The request includes an allotment to pay film rental fees for the College faculty departments.

E. Books, Periodicals and Binding

The request directly reflects inflationary increases required to maintain the current acquisitions rate for the Library. Projected binding costs of $70,000 would leave $480,000 for books and periodicals.

> Prices of hardcover books, prices per volume, rose by 19% in the first 9 months of 1975 compared with the same period for 1974 according to an analysis of listings in Bowker's Weekly Record. (Publisher's Weekly, Nov. 3, 1975. p. 24.)

The Publisher's Weekly analysis for U.S. imprints is essentially consistent with periodical price increases as well. Foreign publication prices, which are increasing at similar rates, account for approximately 40% of the book and periodicals budget. Exemplary price increases of selected foreign titles follow:

	Prices		
	1974-75	1973-74	1972-73
Academis des sciences, Paris. Comptes rendus...	$700	$561	$366
Analytica chimica acta	262	219	146
Romanische Bibliographie	240	154	49
Soviet physics. Uspekhi	110	75	55
Zentralblatt für Mathematik	845	751	663

III. Special Request for Funds to Eliminate Basic Deficiencies in the Collection

The proposed purchases were selected from a list of extraordinarily expensive items which are needed to fill significant gaps in the basic collection of the Robert W. Woodruff Library. A Library Policy Committee resolution at their June 4, 1975 meeting requested the Library staff to compile a proposal for this purpose.

Many of the items are too expensive to be purchased from the Reserve Request Fund. Others, interdisciplinary in nature, are too general for individual faculty departments to purchase from their own allocations. As a result, these basic and important resources are not in the Library. It is unrealistic to hope either that these items will become less costly or that it will ever be possible to acquire them through the regular operating budget.

The list of items is attached.

(SPEC Note --This approach involves defining goals and objectives, and then tying them to budget)

UNIVERSITY OF TENNESSEE/
KNOXVILLE

NEW ACTIVITY OR PROGRAM PROPOSAL

1. Identify a need for which an activity or program (A program is a group of related activities.) is proposed. What departmental objective covers this need.

2. What alternatives do you recommend to satisfy this need. Complete items A-D below for each alternative activity or program.

   A. Describe the activity or each activity within a program. Forecast the level of each activity for FY 75, 76, and 77.

   B. What impact would these activities performed in your department have on other library departments?

C. What resources, by activity, would be required in FY75, 76, and 77.

FISCAL YEAR 1975

	Act. 1	Act. 2	Act. 3	Act. 4
Human Resources:				
Operating Item:				
Equipment Required:				

FISCAL YEAR 1976

	Act. 1	Act. 2	Act. 3	Act. 4
Human Resources:				
Operating Item:				
Equipment Required:				

FISCAL YEAR 1977

	Act. 1	Act. 2	Act. 3	Act. 4
Human Resources:				
Operating Item:				
Equipment Required:				

D. What are the primary advantages and disadvantages of this alternative.

3. If more than one new activity or program is proposed, indicate the priority of this proposal.

SUPPORT DATA FOR BUDGET PREPARATION

Princeton University Library Ongoing Program Goals

I ACCESS TO LIBRARY COLLECTIONS

All Princeton University library materials should be available for use on a timely basis by members of the Princeton University Community.

A. Provide Library materials, regardless of form or location as required by Princeton faculty, students and staff,
B. Develop a series of Library orientation and instruction programs.
C. Catalog and classify all library materials, on a current basis, regardless of form, using LC classification.
D. Promote working relationships with other research libraries and organizations to improve access to resources and performance of libraries
E. Maintain materials in good physical condition through an active binding and preservation program.
F. House library collections and service activities in space that meets staff and user requirements.

IICOLLECTION DEVELOPMENT

The Collection and Development Policy and Acquisitions program of the Library should respond to the broad academic goals of the University and should meet the requirements of specific instructional, research and administrative programs approved by the University.

A. Develop and maintain a written Collection Development Policy.
B. Develop and maintain a clear definition of the collections scope for each library unit on campus which will minimize fragmentation and duplication of resources.

III STAFF DEVELOPMENT AND TRAINING

Staff training and development program should create opportunities for individual members of the library staff to define and achieve their career goals in the context of the general objectives and staffing requirements of the library.

A. Develop and maintain a comprehensive staff training and career development program.

IV FUND RAISING AND COMMUNICATIONS

Effective information sharing and development programs with potential sources of external funding are vital to the continued support of library operations.

A. Maintain a coordinated communications program with the various library constituencies.
B. Maintain an active fund raising program within the development guidelines established by the university.

V PLANNING AND IMPLEMENTATION

The Planning process should provide systematic reviews of library goals and the specific measurable projects used to achieve those goals.

A. Develop and maintain a systematic planning and implementation process.
B. Review budget for reallocation of resources.

012

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ONGOING PROGRAM GOAL: Access to Collections

A. Provide Library materials, regardless of form or location as required by Princeton faculty, students and staff.

	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	
2.	INFORMATION CENTER Establish a lobby information center in Firestone Library for handling information and quick reference questions to interested people as soon as they come in the door. Alterations to be completed by ____(X date)_____. Equipment: Telephone, microformreader, computer terminal to link with proposed circulation system, and limited ready reference collection	Alterations: fall 1976	1st year: 30,000 2nd year: 10,000	Foundation	Funded for Fall 1976
3.	Provide information and quick reference services on a continuing basis. Assign and train staff; select reference materials.	continuing service		Foundation	In progress
4.	Microfilm public card catalog; place copies at designated points on campus. Update Microform catalog on a ____basis.	Winter '75 to Summer '76 completion	$36,425	State Agency funds	Implemented
5.	Set up a library delivery system which will deliver Princeton University Library materials to faculty on campus within ____ hours of request.	Pilot project Fall 1976, continuing service			NEW
6.	Read shelves in Firestone Library (A) Retain a commercial firm for shelf reading, paying only for that work which is completed with 99% accuracy. (B) Develop plan to coordinate proposed circulation system as an electronic shelf reading system, using light pens and "Zebra" labels placed on outside covers of books.	Summer 1976 to Fall 1976 completion	$60,000	Foundation	Funded to Fall 1976
7.	Create a serials holding list of the 38 Princeton library collections for consultation by library users on or off campus. Multiple copies of a serials holdings list produced by computer are proposed for all campus libraries as well as the fifty other libraries who now make nearly ten thousand serial requests per year of the Princeton University Library.			Foundation	proposed

ONGOING PROGRAM GOAL: Access to Collections

A. Provide Library materials, regardless of form or location as required by Princeton Faculty, students and staff:

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
6	Install a machine based circulation system for Firestone Library	Fall 1976 completion	$179,000	Library operational funds	propos-

* SAMPLE FORMAT JULY 76*

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B. Develop a series of Library orientation and instruction programs.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
.	Contract to offer computer based reference services; install a computer terminal to a shared remote data base; train staff in the search convention of the several data base search services. Promote use of service on campus through a library instruction program.		10,000 annual	foundation	funded for 1976
2.	Develop a comprehensive reference services personnel exchange program among various library units on campus				NEW
3.	Design and offer a library instruction program in the specialized bibliography of subject disciplines;	Pilot project Fall 1976			

ONGOING PROGRAM GOAL: Access to Collections

C. Catalog and classify all library materials, on a current basis, regardless of form, using LC classification.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Catalog all microform holdings, offering title-by-title access through the Public catalog				NEW

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ONGOING PROGRAM GOAL: Access to Collections

047

D. Promote working relationships with other research libraries and organizations to improve access to resources and performance of libraries.

Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status

* SAMPLE FORMAT JULY 76*

ONGOING PROGRAM GOAL: Access To Collections

043

E. Maintain materials in good physical condition through an active binding and preservation program.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status

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ONGOING PROGRAM GOAL: Access to Collections

049

F. House library collections and service activities in space that meets staff and user requirements.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Create reading oases in 1948 Firestone stack areas				proposed
2	Convert incadescant lighting fixtures in 1948 Firestone to flourescent fixtures.		$1, 500, 000		proposed

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ONGOING PROGRAM GOAL: Collection Development

050

A. Develop and maintain a written Collection Development Policy

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Write a Collection Development Policy which responds to the broad academic goals of the University and to the individual instructional, research, and administration programs of Princeton University. First draft due by (X date)				NEW
2	Develop a Collection Development net work throughout the Library (a) to write the Collection Development policy, (b) to select Library material and (c) to maintain regular contacts with academic departments.				NEW
3	Meet with separate academic departments, administration and student groups to review Collection Development policy, on a regular, periodic basis				NEW
4	Participate in the campus planning process for establishing new academic programs and for phase-out of academic programs				NEW
5	Use the planned automated circulation system to identify the 5% of the collection getting the most use so that selective duplication may be undertaken to improve availability. The materials never used will also be analyzed for possible withdrawal or transfer to the storage library. It is hoped that the methodology will be transferable to other institutions.	Start-Winter 1977 continuing Project	20,000 1st yr 15,000 annual	Foundation	Funded for Fall 1976

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ONGOING PROGRAM GOAL: Collection Development

3. Develop and maintain a clear definition of the collections scope for each Library unit on campus which will minimize fragmentation and duplication of resources.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Write a collecting policy for each external Library and collection within Firestone by (X date) within scope of Library Collection Development Policy.				NEW
2	Set standards for duplication of resources which will minimize duplication				NEW

052

ONGOING PROGRAM GOAL: **Staff Development and Training**

A. Develop and maintain a comprehensive staff training and career development program.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Develop in-house training programs for (a) supervisory skills (b) operations skills, and (c) skills required for machine based library systems, eg. circulation, cataloging, reference. Hire a full-time coordinator to set up a program of seminars, hands-on-training, training manuals, and the like. The position would be incorporated into the professional staff of the Library after two years as would the other costs in the following years.	Start up Fall 1976 continuing service	25,000 1st and 2nd year, 10,000 annual	Foundation	Funded for 1976
2	Integrate Library training program with campus training program				NEW
3	Coordinate Library training program with external training seminars and workshops.				NEW

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ONGOING PROGRAM GOAL: Fund Raising and Communications

A. Maintain a coordinated communications program with the various library constituencies.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status
1	Library publications program				Ongoing
2	Friends of the Library				Ongoing
3	Set up regular meetings with Library staff members and advisory groups within Library				Ongoing

ONGOING PROGRAM GOAL: Fund Raising and Communications

B. Maintain an active fund raising program within the development guidelines established by the university.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status

75

76

* SAMPLE FORMAT JULY 76*

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ONGOING PROGRAM GOAL: Planning and Implementation

A. Develop and maintain a systematic planning and implementation process.

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status

* SAMPLE FORMAT JULY 76*

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ONGOING PROGRAM GOAL: Planning and Implementation

B. Review Budget for reallocation of resources

Number	Performance Objectives and Implementation Projects	Time Frame	Antic. Cost	Source of Funds	Status

SAMPLE FORMAT JULY 76

BUDGET PLANNING

Princeton University Library
Budget Request
1977-78

I. SALARY AND WAGES (690-1000)

Perspective: The 1976-77 Provisional Plan for the library defines a three year phased approach to the goal of no growth for the size of the library staff. This provision has been incorporated into library planning through 1979-80.

Year one - 1976/77 - carried a growth factor of 2.2% which generated $75,000 for salaries and benefits. This amount did not include adjustments to reflect new salary rates for 76/77, hence it funded only five of the eight needed positions and allowed adjustments to only three existing positions.

Year two - 1977/78 - calls for a growth factor of 1% which will generate $40,500 for salaries and benefits, adjusted from 1% to the anticipated pay scales for 77/78.

Year three - 1978/79 - calls for zero growth in staff size; the personnel budget will repeat the 1977/78 base, adjusted upwards to reflect improvement to salary ranges campus-wide. The Library anticipates no major obstacles to compliance with the principle of a steady state budget to the extent that teaching and research programs remain constant. Modifications toacademic programs requiring library services or material new to Princeton should be accompanied by appropriate library budget adjustments. The Library's ability to respond to program modification during a no-growth period is dependent upon (1) lead time to plan for change in services and collections and (2) reallocation of resources to match the shift in teaching or research emphasis.

Proposal: Augment the current year salary and benefits base of $3,826,700 by $40,500 for a new general fund salary base in 1977/78 of $3,867,200, exclusive of general range adjustments made to the salary base, reflecting cost of living and other factors.

New funds will be used (1) to support several programs to improve access to collections, such as shelf reading, tracing, filing, searching and cataloging control of the arrearage and staffing to meet seasonal patterns of use; (2) to establish a Business Manager position which will have broad funds management and fiscal planning responsibilities. The only other change for the salary and wage line is to establish a new account, funded by a transfer of $5,000 to the library budget from Building Services. This money will be used to reimburse Building Services for continuing to perform non-custodial duties in the library, such as exit control. The new account would be matched with an equal reduction in the Building Services budget.

II. OPERATING EXPENSES

For the Library, the broad heading of operating expenses includes general supplies and paper products, catalog card stock, forms, postage, small office equipment, repairs, service contracts, printing, telephone, rental fees, freight and express, equipment maintenance, furniture, computer charges and the Librarian's expense allocation.

A. General Expense (690-1003)

Perspective: This budget line received an augmentation of $25,000 in addition to a 7% inflation related increase for a total of $179,400 for fiscal 1976/77. In addition to general funds, the income derived from the sale of reprints and from fines collected on overdue books has been used to underwrite general expenses, where expenditures have historically been in excess of the general funds appropriated. Although the anticipated income from fines continues at the $30,000 level each year, income from the sale of reprints has nearly disappeared. The impact of rising inflation will continue to have an effect on this account.

Proposal: Adjust the general expense account by a 7% inflation related factor as proposed in the Provisional Plan. An inflation factor of 7% will generate $12,558 for a budget of $191,958 for 1977/78.

B. Furniture and Maintenance (690-1005)

Perspective: The budget for furniture and maintenance received an augmentation of $5,000 plus a 7% inflation factor with the current year budget, providing a new base of $21,400, which would meet normal maintenance demands. A deferred maintenance program or furniture replacement program of any scope will require new funds, an issue which will require attention over the next several years.

Proposal: Adjust the furniture and maintenance budget by the 7% inflation factor as proposed with the Provisional Plan, thereby adding $1,500 to the base for a new budget of $22,900 for 1977/78.

C. Librarian's Expense Allocation (690-1004) and Computer Expense (690-1054)

Both accounts should receive augmentation at the 7% level to compensate for general rise in the cost of goods and services. Should campus computer costs exceed the 7% level, an appropriate adjustment should follow.

III. ACQUISITIONS (690-1010)

Perspective: The argument in support of an increased budget for Library materials is drawn from three economic factors which have had a sustained impact on the Library's ability to respond to academic program needs. Inflation affects the

acquisition program in two ways: (1) the annual inflation rate for books and journals is in excess of the average rate for other sectors of the economy thus eroding the "stay even" intent of general inflation related increases of 9% or 10%; (2) the cumulative effects of an annual drop in the acquisition rate spread over a five to ten year period gradually lessens the library's ability to meet teaching and research needs. The third issue recognizes that an increasing rate of loss and mutilation of collections diminishes the usefulness and availability of material presumably in the collection. Preliminary surveys indicate that the loss rate of books is higher than in previous years; replacement of missing volumes with identical titles or similiar editions can be a sizeable burden to a subject allocation, expecially those hard hit by losses.

A. Application of the 9% inflation factor from the Provisional Plan and the 8.9% increase to endowment income over the current year, produces an acquisitions budget which does not reach the actual expenditure level of 1975/76:

(1)	875,000	1976/77 Base - General Fund
	78,750	inflation factor - 9%
(2)	592,700	1976/77 Endowments
	52,750	increase at 8.9%
(3)	200,000	Estimate of available special funds
	$1,799,200	77/78 formula projection
	$1,799,890	1975/76 Expenditure level

B. The rate of inflation established by the book industry, extrapolated to reflect the mix of journals and books purchased by the Princeton Library, suggests that the price of journals will impact the budget by a rise of 11%, while book prices will rise by 9%. Applied to the Library budget, we can expect the journal budget to require $868,020 and books $980,378 for a total of $1,848,398. This figure is short by nearly $50,000 from funds to be generated through the formula of the current Provisional Plan.

Serials	$78 ,000	1976/77 anticipated expenditure
	86,020	inflation @ 11%
Books	899,430	1976/77 anticipated rate
	80,948	inflation @ 9%
	$1,848,398	Required 1977/78
	$1,799,200	Provisional Plan 77/78

C. It appears that the annual acquisition rate has dropped nearly 20,000 titles per year from 1971/72 to 1975/76 as the following list demonstrates, with the most significant drop occuring between 1974/75 and 1975/76.

Monographs only	1971/72	72,780	Titles per year
	1972/73	68,161	
	1973/74	72,630	
	1974/75	73,473	
	1975/76	54,348	

A full restoration project to raise the acquisiton rate to 73,000 titles per year at an estimated cost of $18.00 per volume would require at least $360,000. However, we do not have a clear indication that full restoration of an earlier acquisition rate is a reasonable goal, except as that rate reflects a pattern of selection and purchase unrestrained by departmental allocations. With the 1977/78 budget, we seek an augmentation which will initiate the first phase of a project to partially restore the acquisiton rate. An augmentation of $150,000 would add approximately 8,000 volumes.

Proposal: Augment the General Fund portion of the acquisitions budget by the following methods: (1) add the inflation factor of 9% - $78,750 - as provided in the current Provisional Plan; (2) add $50,000 to make up the purchasing power differential between funds generated by the formula of the Provisional Plan and dollar requirements based on anticipated price increases to books and journals; and (3) make a further adjustment of $150,000 to initiate a partial restoration of the acquisition rate.

Perspective: D. Preliminary inventories of science and technology collections indicate the potential for a cumulative loss rate of 10,000 volumes; the loss rate for collecticns within Firestone may be as high. Although all lost or mutilated volumes might not be replaced, a replacement program for the sciences, where volume prices average $20.00, might range to $200,000. We urge that serious consideration be given to a replacement program spread over a several year period, that would replace those volumes needed for basic reference, research and study purposes; program may be started in any fiscal period.

Proposal: Provide special funding above the General Fund base for a specified, but limited number of years, to initiate a major replacement program for the library system. Funding at the $50,000 level would initiate a program to replace approximately 3,000 volumes.

IV BINDING AND PRESERVATION (690-1012)

Perspective: The Library's binding budget has failed to keep pace with the real binding needs of the library over the past several years. Consequently, several units, such as Marquand and Rare Books, secured special and supplementary funds from external sources or used book funds to meet binding needs. With the change of commercial binding firms that ocurred during 1975/76, the library was able to stretch available funds to bind more physical units than in previous years. The 9% increase provided under the Provisional Plan may be a steady state budget, if the commercial binder does not raise rates. The actual expenditure rate for 1975/76 was $100,070.

Proposal: Increase the Library binding budget to $100,000 by addition of the proposed 9% increase over the base, plus an additional $1,900.

Future: Preliminary examination of physical volumes indicates substantial deterioration of the collection, primarily of those volumes with high acid content paper.

The excellence of the collection will be seriously undermined as unique copies deteriorate. The Library and the campus should jointly seek to initiate a long range preservation program, in cooperation with similar institutions, such as members of the Research Libraries Group, with whom costs of microfilming may be shared, volumes can be exchanged and work not duplicated.

V SAVINGS TARGET

The 1976-77 Provisional Plan for the Library defines a four year phased approach to reduce the Library's budget by a total of $250,000 with the 1979/80 fiscal period. During 1976/77, year one of the schedule, the library savings target is $50,000; in 1977/78, the target is $130,000 which includes recurring savings from the previous year; in 1978/79, the target is $190,000; and in fiscal 1979/80, the library is scheduled to reach the full target of $250,000 which should include all recurring savings from year one to year four.

The library expects to meet the 1976/77 savings target of $50,000 by the end of the fiscal period. Savings have been realized to date from the following measures: income from sale of borrower cards at a higher price; income from Interlibrary Services; reduction in Catalog Division staffing; elimination of a position by the transfer of the Forrestal Reading Room to the Annex; and reduction in the scope of the Astronomy Library.

The savings target for fiscal 1977/78 is set at $130,000 which includes those savings realized during 1976/77 which will recur as savings in the next year. Potential sources for savings include a reduction in the number of public service points; reallocation of staff; introduction of simplified cataloging procedures; and introduction of more efficiencies throughout the system.

The extent to which the library can expect to reach the full target of $250,000 is uncertain; the intermediate targets of $130,000 and $190,000 may be difficult to achieve without elimination of additional service points, combination of major units or substantial change in operational procedures.

VI GENERAL SALARY AND WAGE IMPROVEMENT

We recommend that special attention be given to the effect of the rapid increase in the cost of living on those with salaries under $10,000 per year. Most personnel in the lower salary grades must live outside Princeton to avoid high housing and related living costs, but rapid increases in transportation cost of the past two years have hit these people even harder than those on higher salaries who live near campus.

We urge the campus to make the commitment to a full program of wage and salary improvement which will accomplish three issues of special concern:

1. Increase the salary and wage base to meet prevailing wage rates in the public sector and in comparable institutions in the private sector for like jobs.

2. Provide special funding to raise entry level salaries, especially for the lower pay grades.

3. Provide a merit and promotion pool sufficient to support and encourage an upward career track with the University.

VII ATTACHMENTS

1. 5 year display of Library Expenditures from 1972/73 to 1976/77, including budget request for 1977/78.

2. Acquisition Growth Model A

3. Acquisition Growth Model B

Acquisitions Budget - Princeton University Library
Growth Model A

	76/77 Budget	77/78 Request	78/79 Projection	79/80 Projection	80/81 Projection
Source of Funds					
			@10%	@10%	@10%
General Fund	875,000	1,153,750	1,269,125	1,396,038	1535,641
		@8.9%	@5%	@5%	@5%
Endowment	592,700	645,450	677,722	711,609	747,189
Special and Gift	213,730	200,000	200,000	200,000	200,000
	1,681,430	1,999,200	2,146,847	2,307,647	2,482,830
Replacement Project	---	50,000	50,000	50,000	---
Funds Available	1,681,430	2,049,200	2,196,847	2,357,677	2,482,830

Model A Projects a growth pattern for library acquisitions to the year 1980/81 based on the following assuptions:

1. The unit income for endowed accounts will increase by 5% over the previous year.

2. The General Fund will increase by 10% each year over the previous year base.

3. Special and Gift funds will approximate the 1976/77 level.

October 1976

Acquisitions Budget - Princeton University Library
Growth Model B

	1976/77 Budget	1977/78 Request	1978/79 Projection	1979/80 Projection	1980/81 Projection
Source of Funds					
			@14.5%	@14%	@13.7%
General Fund	875,000	1,153,750	1,321,398	1,507,423	1,713,746
		@8.9%	6%	6%	6%
Endowment	592,700	645,450	677,722	711,609	747,189
Special and Gift	213,730	200,000	200,000	200,000	200,000
Sub	1,681,430	1,999,200	2,199,120	2,419,032	2,660,935
			@10%	@10%	@10%
Replacement Project	---	50,000	50,000	50,000	---
	1,681,430	2,049,200	2,249,120	2,469,032	2,660,935

Model B Projects a growth pattern for library acquisitions to the year 1980/81 based on the following assumptions:

1. Maintenance of effort will require a 10% increase to the total of all funds available for library acquisitions.

2. The unit income for endowed accounts will increase by 5% over the the previous year.

3. Special and Gift funds will approximate the 1976/77 level.

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5 Year Expenditure Display - Princeton University Library

	1972/73 Actual	1973/74 Actual	1974/75 Actual	1975/76 Actual	1976/77 Budget	1977/78 Request
I PERSONNEL						
Salary and wages	2,085,943	2,240,711	2,574,380	2,919,349	3,320,850	
Benefits	310,076	333,063	413,596	473,868	505,850	
Subtotal (690-1000)	2,396,019	2,573,774	2,987,976	3,393,217	3,826,700	3,826,700 - Base
						40,500 - Growth factor (1% +)
Special Projects	50,891	75,621	85,583	166,613	[166,613]	[166,613] - Estimate Special Projects
TOTAL	2,446,910	2,649,395	3,073,559	3,559,830	3,993,313	4,033,813 - Unadjusted for 77/78 wage increases
II OPERATING EXPENSES						
Regular	194,197	223,961	215,090	253,157	206,500	206,500 - Base
						14,445 - inflation factor (7%)
Fines Income	NB	NB	NB	NB	30,000	30,000 - anticipated fine income
Special Projects	16,104	21,909	93,203	129,750	[129,750]	[129,750] - Estimate, Special Projects
TOTAL	210,301	245,870	308,293	382,907	366,250	380,695
III ACQUISITIONS						
General (690-1010)	705,269	745,528	780,146	1,027,335	875,000	953,750 - Base + inflation factor (9%)
						200,000 - inflation differential & acq.catc
Endowed (053-XXXX)	401,029	462,224	503,244	505,692	592,700	645,450 - Base + increase at 8.9%
Supplementary & Special	288,266	342,606	360,914	266,863	213,730	[200,000] - Estimate, Special Projects
TOTAL	1,394,564	1,550,358	1,644,304	1,799,890	1,681,430	1,999,200
						50,000 - Replacement Project
IV BINDING (690-1012)	83,338	83,286	81,857	100,070	90,000	100,000 - Base + inflation factor (9%) + stay even factor
GRAND TOTAL	4,135,113	4,528,909	5,108,013	5,842,697	6,130,993	6,563,708
V SAVINGS TARGET					- 50,000	- 130,000

NB - Fines income included in expenditure figure
[ ] - estimated figure, based on previous years experience

October 1976

TO: Priorities Committee October 16, 1975

FROM: Richard W. Boss, University Librarian

SUBJECT: Proposed Library Budget, 1976-77

PRINCETON

The quality of a library's resources and services is determined by the efforts made during the difficult years rather than by those of the good years. There is no "deferred maintenance" program available as the books and journals not acquired while in print may not be available later and the students not adequately served cannot be invited back.

There are ways of controlling costs, but they are complex and require extensive consultation with faculty, students and staff to make them effective. Unilateral actions by the library administration are almost certain to fail.

This budget proposal is, therefore, substantially based on the Provisional Plan, a pattern of 10.4% per year increases in acquisitions and 3% per year in staff size and other operating expenses. We are prepared to critically review expenditures over the next year and to undertake internal reallocations of staff and money. We have already begun by developing a statement of ongoing program objectives (see attachment 1) and will soon be developing specific, measurable goals in connection with each objective statement. Funds will be committed to each goal. We hope this process will result in a critical evaluation of the activities we take for granted as well as of the new activities proposed.

We regret that it will not be possible to complete this process before the 1976-77 budget is established. We hope it is clear that we are not insensitive to the fiscal constraints faced by the university and that we do plan to curtail our budget growth.

There are some adjustments necessary in the 1975-76 budget, not to increase the expenditure level, but to more correctly reflect the actual pattern of anticipated expenditures. In the past several years turnover in clerical and supporting personnel has exceeded 30% annually, resulting in significant salary savings. The library administration has regularly sought and obtained permission to transfer these savings into acquisitions, wages, and other expenses. The 1974-75 request was not granted, but overexpenditure were authorized in wages and general expenses.

A one-time adjustment will make it possible to budget directly for each category and return all salary savings to the general fund of the university.

No adjustment is sought in acquisitions as transfers into this account have been irregular and of varying amounts. There have been consistent transfers on authorized overexpenditure in the following:

(1) Wages (690-1000-207 & 208)

The budgeted amounts have consistently been $30-60,000 less then actual planned expenditures. Both temporary hourly and student assistance is involved. The 1975-76 base budget should be adjusted from $280,000 to $310,000.

(2) General Expense (690-1003)

The average expenditure among research libraries for this and related categories is just over 6% of the total library budget. Princeton has been spending just over 4% of its total budget, resulting in overexpenditures of $11,000 to $25,000 per year, chronic shortages of some supplies such as acid-free storage folders for manuscripts, and reliance on special gifts from sympathetic friends. A one-time adjustment of $25,000 to $167,675 is recommended.

(3) Furniture and Maintenance (690-1005)

For each of several years there has been from $10,000 to $15,000 reallocated from salary savings to the purchase of chairs, small equipment, and microform reader maintenance. A one-time adjustment of $5,000 is recommend, increasing the budget to $20,000, the minimum amount possible in the light of the three decade old furniture and equipment in Firestone.

The following increases in the major categories are proposed for 1976-77:

(1) Salaries and Wages (690-1000) 2.2%

The Provisional Plan has provided 3% per year for staff increases exclusive of raises. Such adjustments have been thought to be necessary to cope with arrearages in the Cataloging, Circulation and Interlibrary Loan Divisions. We are presently discussing alternative solutions, among them the full adoption of the Library of Congress Classification, introduction of an automated circulation system, and the consolidation of three separate interlibrary lending functions into a single unit.

The implementation of these and other changes will require an increase in other operating expenses and one to two years to realize staff savings. A reduction from the Provisional Plan's 3% to approximately 2% for 1976-77 is recommended and a further reduction to 1% in 1977-78. By 1978-79 there should be no adjustment required except as new programs are undertaken.

A 2% increase would provide $65,700 for 8 new positions, including fringe benefit costs.

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The new positions recommended are:

Near East Searcher (Order Div.-paygrade 6, $6,850)
Large uncontrolled arrearages of already acquired Arabic, Hebrew, Persian and Turkish materials need to be checked against present holdings and prepared for cataloging; new requests must be checked before ordering.

Near East Cataloging Assistant (Cataloging Div.-pay grade 6, $6,850)
Several rooms of arrearage need to be cataloged, many of which may be unintentionally duplicated in future buying and all of which are unavailable for use.

LC Cataloger (Cataloging Div.-paygrade 7, $7296)
Replacement funding for lapsed grant money to allow an existing position to be continued.

Claims Assistant (Order Div.-paygrade 5, $6,432)
Follow up on outstanding orders not received and remove thousands of old order forms from the card catalog.

Special Collections Assistant (Plasma Physics-pay grade 4, $6,040)
The growth of the research staff served by the library requires a staff increase to maintain the present level of service.

Special Collections Assistant (Manuscripts, S. Mudd-paygrade 6, $6,850)
The separation of literary and statescraft manuscripts into two buildings and the operating requirements of a large new building.

Clerical Assistant (Manuscripts, S. Mudd-paygrade 4, $6,040)
Same as above

Manuscripts Cataloger (Manuscripts, Firestone-paygrade Ll, $10,000)
The increased rate of manuscript gifts is creating an arrearage.

An additional .2% would make it possible to adjust 3 part-time positions at a cost of $7264 plus $1271 in fringe benefits:

Special Collections Assistant (Music-paygrade 4 from 1/2 to 1 fte, $3020)
One person with a half-time assistant cannot provide adequate service to an entire academic department.

Astrophysics Librarian (Astrophysics-paygrade L2 from 1/2 to 3/4 fte, $3100)

The professional librarian is consistently working 3/4 time without being compensated in an effort to keep up with patron demand.

Supply Clerk (Bookkeeping -paygrade 3 from 4/5 to 1 fte, $1144.

Releasing time for processing of invoices will reduce the large number of dunners received from suppliers.

We recommend that special attention be given to the effect of the rapid increase in cost of living on those with salaries under $10,000 per year. Most personnel in the lower salary grades must live outside Princeton to avoid high housing costs, but recent dramatic increases in transporation costs have hit these people even harder than those on higher salaries living nearer the campus.

(2) Books, Periodicals, Microforms and Binding (690-1010 & 1011)

We recommend that the 10.4% annual increment outlined in the Provisional Plan be funded at 9%.

Inflation and revaluation of currencies have had a major impact on the acquisition programs of academic libraries. Published statistics are generally unreliable indicators because they are publishing industry-wide, reflecting mass-market fiction and juvenile literature as well as the more costly scholarly titles. One state university library documented an actual 31.7% decrease in purchasing power last year.

The July, 1975 issue of Library Journal provides a usable breakdown of prices for U.S. published journals. It documents that journal publishing has been sustaining dramatic price increases for nearly a decade, not just since the general economy's recent bouts with double-digit inflation:

Subject	1967/69 Average Price and Index %	1972 Average Price and Index %	1975 Average Price and Index %
Business & Economics	7.54/100.0	9.95/132.0	15.26/202.4
Chemistry and Physics	24.48/100.0	45.46/185.7	76.84/313.9
Engineering	10.03/100.0	16.04/160.0	26.64/265.6
Fine Arts	6.71/100.0	8.42/125.5	11.09/165.3
History	6.04/100.0	8.25/136.6	11.14/184.4
Journalism & Comm.	5.72/100.0	8.68/151.7	14.70/257.0

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(continued) Subject	1967/69 Average Price and Index %	1972 Average Price and Index %	1975 Average Price and Index %
Labor & Ind. Rel.	3.01/100.0	3.92/130.2	7.40/245.9
Literature & Lang.	5.38/100.0	7.45/138.5	10.41/193.5
Math, botany, geology & gen. sci.	15.30/100.0	22.63/148.0	35.95/235.0
Philosophy and Religion	5.27/100.0	7.16/135.9	9.05/171.7
Political Science	6.18/100.0	8.47/137.1	12.79/207.0
Psychology	14.55/100.0	20.98/144.2	27.51/189.1
Sociology and Anthropology	6.11/100.0	9.12/149.3	14.85/243.0

Conservative estimates set the inflation rate for all library materials at 13% for 1976-77. Princeton should seek to meet half of this with a budget increase and half by selective reductions in purchases, especially in duplicated journal subscriptions.

A 9% increase in the general budget would increase the amount available from $885,300 to $964,977. A smaller 3.2% increase must be projected for endowed and supplementary funds, from $780,400 to $805,400. The total projected increase of $104,700 represents approximately half of the amount needed to offset inflation.

Princeton is fortunate in not having serious historical deficiencies to overcome as no serious deterioration in collection development will result from these adjustments. Serious deterioration in the physical condition of the collection will occur, however, as Princeton continues to spend less than $82,000 per year on commercial binding. A systematic review of binding prices is being conducted. It should be possible to reduce prices by at least 20%, but much more is needed to protect the $75 million investment in the collections. A major adjustment by reallocating resources may be necessary.

(3) Other Expenses (690-1003, 1004, 1005) 7%

This category includes General Expenses, Furniture and Maintenance, and a $2500 librarian's allowance. This is one of the areas that has consistently been supported with salary savings. If an adjusted base budget of $192,100 is accepted, a figure that would average out actual past expenditures, the 3% Provisional Plan adjustment would generate only $5763 in additional funds. A 7% increase of $13,447 is recommended to partially fund the following:

(a) The development of an automated circulation system in the Firestone Library. Not only would charge-out be speeded for patrons, but within six months a position could be reallocated to stacks maintenance and within twelve months at least one more. These changes will make it possible to reduce staff increases in future years as proposed.

(b) The acquisition of an electronic security system in the Reserve Book Division of the Firestone Library. Over $20,000 worth of books were lost last year and thousands of books disappeared temporarily throughout the 360,000 square feet of the building.

The equipment acquisition costs for these two programs will be included in the capital request budget. The one-time cost would be from $25,000 to $45,000, depending on the type of circulation system selected.

We look forward to talking with the committee later in the academic year as we hope to be able to report some difinite progress in the development of our priorities.

Cordially,

Richard W. Boss
University Librarian

UNIVERSITY APPROPRIATIONS

1972-73 through 1976-77

Acquisitions	72-73 (actual expend)	73-74 (actual expend)	74-75 (actual expend)	75-76 (project)	75-76 (Expend. revision)	76-77 (request)
Books, periodicals, microforms	1,394,500	1,550,300	1,594,500	1,583,700	1,580,700	1,680,400
Binding	83,300	83,300	81,900	82,000	85,000	90,000
Total acquisitions	1,477,900	1,633,600	1,676,400	1,665,700	1,665,700	1,770,400
(Budgeted from general)	(788,600)	(828,800)	(836,000)	(885,300)	(885,300)	(965,000)
(Transfers from salaries)	(62,900)	(42,000)				
(From restricted funds)	(626,400	(762,800)	(840,400)	(780,400)	(780,400)	(805,400)
Personnel						
Salaries	2,254,800	2,427,500	2,741,900	3,019,000	2,959,000	3,093,200
Wages	192,100	221,900	308,500	280,000	310,000	310,000
Total personnel	2,446,900	2,649,400	3,050,400	3,299,000	3,269,000	3,403,200
(Transfers from Salary to wages)	(25,000)	(30,000)	(58,500)			
(Transfers from Salary to other)	(85,000)	(72,000)				
Other expenses including general, furniture & maintenance & Librarian's expense, computer						
Total other expenses	210,300	245,900	193,800	162,100	192,100	205,500
(Transfers from salary or other authorized overexpenditures)	(22,100)	(30,000)	(25,000)			
Unallocated Fines Income				30,000	30,000	30,000
Total University Appropriation	4,135,100	4,528,900	4,920,600	5,156,800	5,156,800	5,409,100
Less returned salary savings						60,000
						5,349,100